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20 December 1983MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central IntelligenceFROM : [REDACTED]
Assistant National Intelligence Officer for USSR-EE

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SUBJECT : Andropov's Probable Forthcoming Reassertion of Policy and
Authority or "A Frosty New Year to All"

1. The Supreme Soviet session scheduled for 28 December and the Party Plenum that should precede it are likely to give us not only a glimpse of Andropov but also, and more significantly, of the health of his political coalition and of the policy outlook for the coming year. I expect that Andropov will be healthy enough to consolidate his power and affirm the policy direction he has set during the past year -- a direction which promises even frostier US-Soviet relations in 1984 than in 1983. In these circumstances, it will be important to keep in perspective the fundamental reasons for that policy direction and not to allow the impression to arise that it is due wholly or even mainly to current US policy.

2. The atmosphere in Moscow is not conducive to a Central Committee Plenum and Supreme Soviet happily ringing out 1983 in favor of an even brighter 1984. A year ago Andropov's accession to power had met with both general apathy among the population at large and hope among its more politically engaged segments -- not just in the party but in the intelligentsia as well -- that the long period of Brezhnevite stagnation was about to give way to a more promising era under more enlightened leadership. Today, diplomatic, clandestine, academic, and journalistic reports from Moscow agree: The city is gripped by a sense of foreboding if not outright fear about the future. The roots of this situation lie in Andropov's leadership and the nature of his coalition, the major policy choices this coalition has made, and the continued opposition to even measured change by the entrenched bureaucracy protected by old Brezhnevites at the top (primarily Tikhonov and Chernenko).

3. Although Andropov's original coalition was composed of disparate elements, its dominant personality was Ustinov whose outlook has been shaped by a career devoted to ensuring Soviet security not through the creation of a peaceful international environment but through the building up of Soviet military strength. Further, Andropov's own institutional strength lay in the KGB. Now, a year later, Ustinov has been joined in Moscow by the

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like-minded Romanov while KGB officials have fanned out in the party and state apparatuses (for instance, old Andropov KGB colleagues into Central Committee posts, erstwhile KGB general Aliyev into the Politburo as a full member and into the Council of Ministers as First Vice Chairman, and ex-KGB head Fedorchuk into the Ministry of Internal Affairs). Andropov's illness has probably made him more dependent than ever on Ustinov (and most likely the KGB) lest Chernenko or one of his erstwhile supporters attempt to challenge his leadership. One can therefore speak of an Andropov-Ustinov coalition that draws its main policy inputs from the KGB and the Ministry of Defense, with their emphasis on domestic and international order through repression of real and imagined challenges.

4. Domestically, this has resulted in a neo-Stalinist approach, different from pure Stalinism in that the KGB does not dominate the party institutionally and there is, so far at least, no mass terror, but similar to Stalinism in the imposition of discipline through repressive methods (publicized executions, terms of imprisonment prolonged by administrative fiat instead of the more cumbersome and therefore self-limiting rigged judicial procedures, tightened ideological controls over cultural activities.) In the one area where Andropov has attempted to be more innovative -- economic management -- his experimentation with decentralization is so timid that it is almost fated not to change the existing system but be absorbed by it, as is apparently already happening even before its scheduled implementation on 1 January.

5. In foreign policy, the Andropov era has been marked so far by the major INF setback and no visible progress in any other international issues of importance to the USSR, such as Afghanistan, Sino-Soviet relations, or the Middle East. Indeed, the saving grace for Andropov's record is that the world does not conform to the Soviet image of a two-person zero-sum game and that every Soviet difficulty or setback does not automatically translate into a U.S. gain. Still it is in the US-Soviet arena that developments have been most worrisome to the USSR. There have been the aforementioned INF setback, the loss of the Grenada foothold in the Caribbean, and, most disturbing, the US Administration's ability to sustain a tough posture based on the rebuilding of US and Western military power. Faced with the dilemma of either making diplomatic concessions significant enough to change this US policy or risking seeing it continue and the international situation become more tense, Moscow has chosen the second course and thereby made its own situation worse. The primary cause for that choice is the preference of the Andropov coalition to base Soviet security on the USSR's own efforts unencumbered by significant diplomatic concessions. To be sure, this approach - which can be called security autarky - is but the intensified application of the traditional Soviet search for absolute security through the creation of absolute insecurity for everybody else. But its intensified application has come at a time when greater, not lesser, concessions were required to achieve Soviet foreign policy objectives. This security autarky also affects domestic policy as it requires unchanged and possibly even increased defense priorities at the expense of the consumer, who is to be kept in line by tighter police controls. But that repressive tendency

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defeats the intent of the already timid decentralization experiments whose purpose is to inject greater individual responsibility and creativity into economic life: creativity simply does not thrive in an increasingly repressive climate.

6. Andropov's illness has compounded the difficulties inherent in his regime's policy choices. How can Andropov project to his country an image of firm direction at the top -- and retain credibility as a leader who wants to face facts squarely -- when he disappears for four months -- and has his spokesman attribute his absence to a cold? More importantly, his precarious health has at the very least retarded the building of a loyal country-wide coalition in the party-governmental apparatus where few will commit themselves to a leader who may not be there tomorrow. It is doubts such as these that probably made Gosplan Director Baybakov bold enough to publicly contradict Andropov one day after he called major economic reforms necessary and lesser bureaucrats to resist whatever slight changes Andropov has promulgated. The net result is that Andropov has not moved the country forward; rather, the increasingly repressive internal climate, the worsening international situation, and uncertain leadership have created a sense of despondency about the future that is worse and more widespread than in Brezhnev's time.

7. It is likely that Andropov is aware of this mood and probable that he hopes to use the CC plenum and Supreme Soviet meeting to at least improve it by projecting a renewed sense of direction. Indeed he may already have set the process in motion. Since his apparent return to office routine in the Kremlin, which according to eyewitnesses occurred in early December, two consecutive Politburo meetings have reaffirmed important tenets of his economic program (nationwide use of the brigade system and the effective implementation of the decentralization experiment in two All-Union and three Republic ministries) and a Central Committee resolution published in Pravda was the strongest attack in a long time and certainly during Andropov's rule on a regional party organization -- (the Moldavian apparatus where Chernenko started his rise to the top.) The specific targets of the Politburo statements and CC resolution were different but probably related: in the first instance, the stifling bureaucracy and in the second, those at the top who protect it. Indeed, Chernenko, by condoning this Central Committee resolution which will widely be perceived as showing his inability to protect his Moldavian confederates, has probably taken another step in his march to political oblivion that began with his speech nominating Andropov for the post of General Secretary.

8. This renewed Andropov political vigor suggests he intends to use the coming period to reaffirm his policy -- thereby reassuring the country that it is in capable hands -- and to strengthen his coalition's ability to see at least its domestic policy through.

-- The reaffirmation of policy will probably take the form of speeches explaining the current situation and resolutions presenting Andropov's policy response. In the international context, this will probably entail an analysis that will conclude that the

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situation is tense and complex but that the world is not on the brink of war. Operationally, this analysis will more likely than not translate into a rise in the announced defense budget and a call for increased vigilance -- a call that will dovetail with the domestic stress on discipline and productivity.

- The strengthening of his coalition will require personnel changes. Andropov has made a number of them in regional bodies (and will probably make more of them through the party "elections" being conducted for him by Gorbachev) and in the Central Committee apparatus. But, contrary to expectations, he has so far made only two changes of note in the Politburo -- elevating Aliyev to full member and moving Romanov to Moscow and the Secretariat. This coming session, however, will probably be his last chance. His precarious health makes it imperative to show the party-governmental apparatus that he is in charge and the aforementioned reports of Politburo meetings and Central Committee resolution suggests he intends to do so. In my estimation, therefore, both the exigencies of the situation and political indicators favor at least some personnel changes at the top. But Andropov's decreased stamina has probably increased his reliance on Ustinov, a development which, combined with his own philosophical orientation, probably ensures that any Politburo changes will give an even more neo-Stalinist, security-autarky cast.

9. Other outcomes are, of course, possible. Although policy reaffirmation is almost certain, it could be accompanied by continued personnel stability at the top. The strongest argument for this eventuality is Andropov's health which, despite his return to work, continues to be so poor as to preclude a public appearance. Consequently an even more intriguing development would be the partial retirement of Andropov through the voluntary or forced resignation from one or both of his more important posts, (General Secretary and Chairman of the Defense Council) and retention only of the Chairmanship of the Supreme Soviet Presidium. Although possible, such a turn of events is unlikely because acquiescent retirement by a General Secretary runs counter to Soviet political practice and because there are no indications of any new coalition uniting around a viable challenger to Andropov.

10. No matter what the outcome, however, this plenum will also affect the next succession. If the outcome is unclear on political alignment, the short-run result will be probably the continued vacillating application of Andropov's policy, and, in the longer term, increased maneuvering for the succession with policy disputes possibly developing. If, on the other hand, the outcome is a strengthening of the Andropov coalition (as I expect) the short-term result will probably be a somewhat more adroit execution of its policy, increased ability for the two dominant senior Politburo members - Andropov and Ustinov - to shape the next succession, but possibly also the

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emergence of even more pronounced policy differences during that next succession if, as is probable, the Andropov coalition policy's continues to be generally ineffectual.

11. If policy reaffirmation is indeed the outcome, Western understanding of what brought it about will have an important bearing on how soon Soviet foreign, and possibly domestic, policy can enter a more constructive phase. Should blame for Moscow's hardened stance be attributed primarily to Western policy, as an increasing number of commentators are doing, there will be less incentive in Moscow for a reconsideration. If, on the other hand, the underlying reasons for Soviet truculence are kept in mind, the greater the possibility that the USSR will make greater efforts to reach admittedly limited accommodations with the US sooner rather than later. In my analysis, it is therefore important to keep in mind these essential points:

- The driving force behind Moscow's truculence is the neo-Stalinist, security-autarky orientation of the Andropov coalition.
- Although Andropov's illness has conveyed a sense of Soviet disarray, Moscow's unwillingness to reach negotiated solutions with the West -- especially on INF -- has not been the result of decisions not taken but rather of decisions taken by the Andropov coalition.
- Moscow is likely to persevere and even proceed more intensively along those policy lines until it becomes convinced that they are self-defeating both in domestic and international terms.

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